

MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK

**SPECIAL MEETING
August 19, 2002**

The Board of Supervisors of Maricopa County, Arizona convened at 9:00 a.m., August 19, 2002, in the Board of Supervisor's Conference Room, Tenth Floor, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Don Stapley, Chairman; Fulton Brock, Vice Chairman; Andy Kunasek, Max W. Wilson and Mary Rose Wilcox. Also present: Fran McCarroll, Clerk of the Board; Alma Hernandez, Administrative Coordinator; David Smith, County Administrative Officer; and Paul Golab, Deputy County Attorney. Votes of the Members will be recorded as follows: (aye-no-absent-abstain).

EMPLOYEE MEDICAL COVERAGE

Item: Recommendation was made to approve the award of the following employee medical coverage contracts that were solicited in accordance with the Maricopa County Procurement Code under Serial 01178-RFP. The estimated total for the first year value of this award is \$58 million.

Mike Schaiberger, Administrator for Innovations, presented recommendations to the Board for the 2003 employee health care program that enhances and strengthens choices for county employees. The benefits program includes:

- HMO,
- Point of Service,
- A newly introduced PPO,
- Increased County-paid contribution for dependant care from 73% to 77%, and
- New pharmacy program.

Structural changes were also made to the contract, funding and benefit design in an effort to sustain the program in the future. These changes will result in County employees paying significantly less than State government or City of Phoenix employees.

Mr. Schaiberger added that the emphasis was to provide more choices while maintaining affordability for all County employees.

In response to Supervisor Brock's inquiry about the cost to Maricopa County for this health care program, Mr. Schaiberger stated that the County's contribution will increase approximately \$6.6 million, whereas the employees contribution for premiums will actually decrease in aggregate by slightly less than \$200,000.

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|--------------------------------|-------------------|---------------|
| • Cigna Healthcare Of Arizona | General Medical | \$47 Million |
| • United Behavioral Health | Behavioral Health | \$1.2 Million |
| • Walgreens Health Initiatives | Pharmacy Services | \$9.8 Million |

The contract term is from January 1, 2003, through December 31, 2003, with nine (9) one-year renewal options. Action on these items is subject to County Counsel's review and approval of the respective contracts and subsequent execution of contract documents. (DISCUSSED IN EXECUTIVE SESSION ON JULY 22, 2002.) (C73030011)

Motion was made by Supervisor Wilson, seconded by Supervisor Brock, and unanimously carried (5-0) to approve the item as recommended.

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TOTAL COMPENSATION – MEDICAL

Item: Approve the following Total Compensation recommendation: (C35030016) (ADM3324)

- a) Benefit plan designs for the health insurance program as defined by the CIGNA, Walgreens Health Initiatives, and United Behavioral Health RFP and contract documents;
- b) 2003 Employee Benefits Rates as described (employee [including both active employees and Pre-Medicare retiree] and employer) for the first contract year, Plan Year 2003 (January 1, 2003 through December 31, 2003);
- c) Amendment to contribution strategy.

Motion was made by Supervisor Wilcox, seconded by Supervisor Brock, and unanimously carried (5-0) to approve the item as recommended.

TOTAL COMPENSATION – DENTAL

Item: Approve the following Total Compensation recommendation: (C35030026) (ADM3324)

- a) continuation of United Concordia Contract (00143-SC) and Employee Dental Services (EDS) Contract (01086-SC), Plan Year 2003, effective January 1, 2003, through December 31, 2003, with contracted rate increases as set forth and set the employer and employee premium rates for the dental programs for Plan Year 2003 as identified in the "2003 Rates" attachment.
- b) contribution split for said dental plans as presented on the "2003 Rates" attachment. Increase County Dental Plan employer contribution to 57% (currently 50%).

Motion was made by Supervisor Wilcox, seconded by Supervisor Brock, and unanimously carried (5-0) to approve the item as recommended.

MEETING ADJOURNED

There being no further business to come before the Board, the meeting was adjourned.

Don Stapley, Chairman of the
Board

ATTEST:

Fran McCarroll, Clerk of the Board